

Boulder Ridge Cable TV

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARYPETITION FOR STAY
MM DOCKET 92-266

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FCC MAIL ROOM

June 11, 1993

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street N.W.
Washington, DC 20554

Dear Ms. Searcy:

We respectfully request a delay in the implementation date of the Commission's rate regulations.

Boulder Ridge Cable TV ("Boulder") owns and operates small cable television systems serving the communities of Garberville and Redway in Southern Humboldt County, California; the cities of Rocklin, Lincoln, the Town of Loomis and unincorporated areas of Placer County, California; and Hickam Air Force Base, Hawaii. As of May 31, 1993 these systems served a total of approximately 16,000 subscribers.

As Boulder's Chief Financial Officer, I am responsible for the overall financial operations of the company, including its ability to service existing debt and attract the capital required to continue current levels of cable service to subscribers.

Our preliminary assessment of the new regulations indicates that under the benchmark rates Boulder would incur an annual loss of revenue of approximately \$336,000 if such rates were adopted. Since Boulder has never shown a net profit in its 13 year history, this reduction in revenue would have an immediate, adverse and irreparable impact on Boulder's ability to continue its current level of service to subscribers, and places Boulder in an untenable position with both its lender and local franchising authorities.

As an alternative, the Commission has indicated that if an operator is charging in excess of the benchmark rates on the initial date of regulation and elects not to "roll back" to such benchmark rates, it may elect a charge pursuant to a "cost of service" proceeding. Because the Commission has not yet released any regulations for cost of service determinations, Boulder cannot determine what costs may be recovered or what rate of return it can expect to obtain. For that reason, we find it impossible to "elect" such an undeterminable option, as it might prove to be more of a detriment than the benchmark rates.

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Therefore, we reiterate our request for a delay in the implementation date of the Commission's rate regulations, at least until such date as we have had a chance to analyze the impact on our company of whatever cost of service regulations the Commission might promulgate.

Sincerely,



D. Jack Stock
Chief Financial Officer

cc: The Honorable Daniel K. Akaka, U.S. Senate
The Honorable Barbara Boxer, U.S. Senate
The Honorable Diane Feinstein, U.S. Senate
The Honorable Daniel K. Inouye, U.S. Senate
The Honorable Neil Abercrombie, U.S. House of Representatives
The Honorable John Doolittle, U.S. House of Representatives
The Honorable Dan Hamburg, U.S. House of Representatives
The Honorable Tom Lantos, U.S. House of Representatives
The Honorable Patsy T. Mink, U.S. House of Representatives